



1Q22 Earnings Release

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1Q22 Highlights



In January 2022 start natural gas and its liquids supply to 4 distributors, diversifying customer base;

As a subsequent events, the Company obtained the extension of the concession contract for Pajeú field until 2035 and a reduction in the royalty rate for incremental production;

In a consortium with Eneva, was invited to start an exclusive negotiation phase of the Bahia Terra Cluster with Petrobras.

Net Revenue of R\$703.5 million, growth of 186% vs. 1T21 and 146% vs. 4Q21;

EBITDA of R\$414.7 million, equivalent to 77.5% of the accumulated in the entire year 2021;

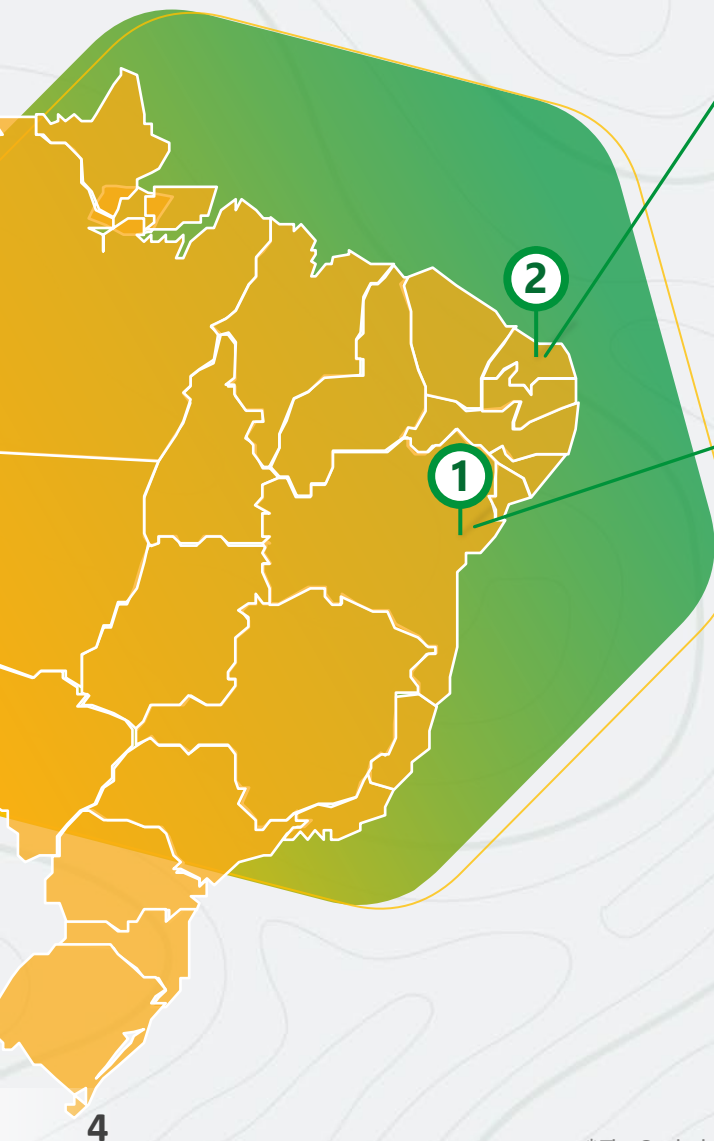
Adjusted EBITDA (excluding hedge effect) increased 290% vs. 1Q21 and 141% vs. 4Q21;

Net income of R\$401.8 million, growth of 456% vs. 4Q21;

Increase in total production (boed) of 68% vs. 1Q21 and 43% vs. 4Q21;

Reduction of 19.3% of net debt when compared to 4Q21;

Operational Performance



POTIGUAR ASSET

Potiguar E&P S.A.

32 operated concessions
1 concession operated by partner
1 exploratory block

Riacho da Forquilha Cluster

BAHIA ASSET

PetroRecôncavo S.A.

12 operated concessions
Remanso Cluster

Recôncavo E&P S.A.

5 operated concessions
BTREC Cluster

Remanso
+ BTREC

SPE Miranga S.A.

9 operated concessions
Miranga Cluster



Average Gross WI Production

In Barrels of Oil Equivalent per day - BOED

	1Q22	4Q21	Δ%
BAHIA ASSET	8,263	4,801	72%
POTIGUAR ASSET	11,192	8,840	27%
AVG. GROSS PRODUCTION	19,455	13,641	43%

* The Cardeal and Colibri fields operated by Mandacaru Energia (formerly Partex) were merged, keeping the concession contract of Cardeal concession.



Monthly Production by Cluster

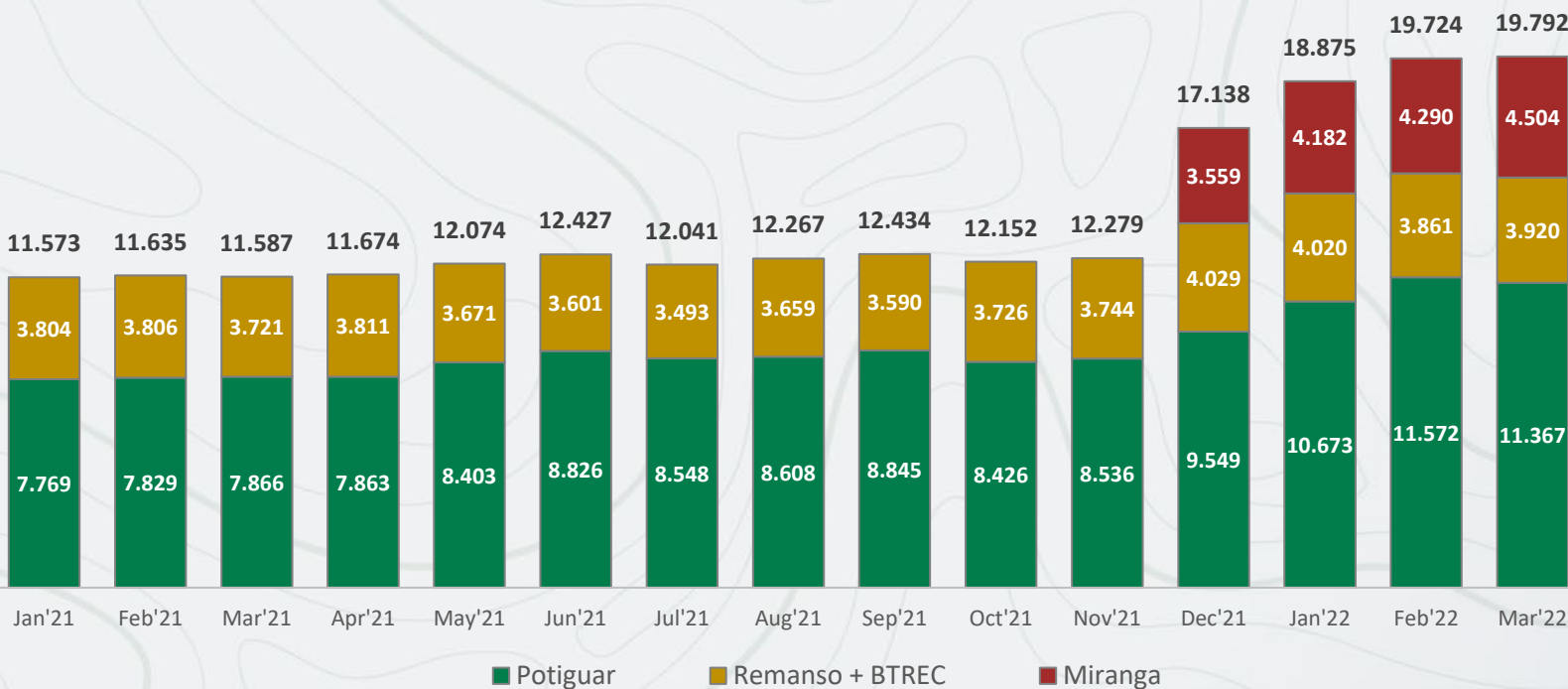
Monthly Production by Cluster | average barrels of oil equivalent per day (boed)



- First full quarter operating Miranga Cluster, with 27% growth in production (Mar'22 vs Dec'21)

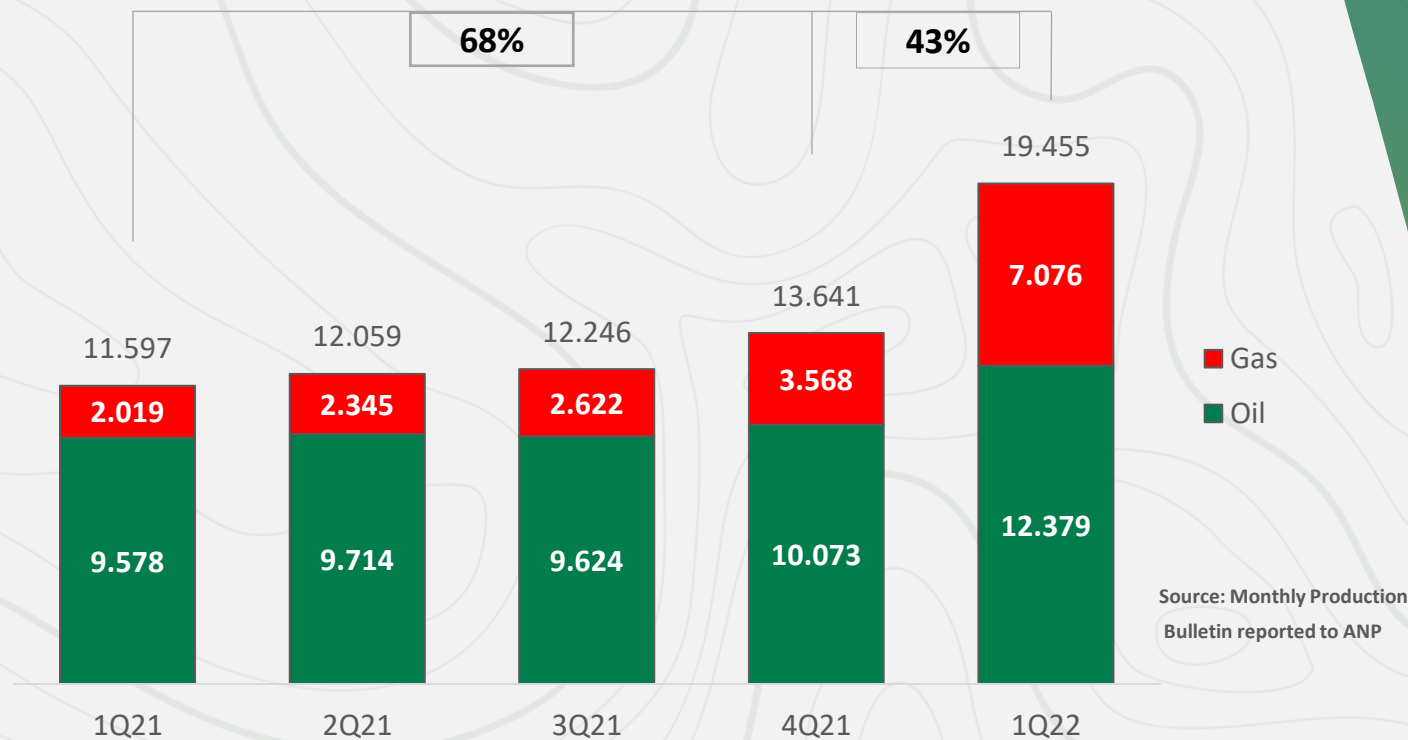
- Production in the quarter reached 98% of the average production expected for the year 2022 in the reserve's reports

- We continue with investments aiming to increasing the production



Source: Monthly Production Bulletin reported to ANP

Continued production ramp up with an average of 19,455 BOED in 1Q22



- ✓ Resumption of investments after reduction of activities due to the impact of the pandemic and recovery of Brent;
- ✓ Growth of natural gas participation in the product mix, going from 26% in 4Q21 to 36% in 1Q22.



Potiguar Asset

27% Incremental Production in 1Q22 vs 4Q21



Entrance of the fifth Rig
onshore production in the Asset
during 1Q22



Continuation of workover interventions focusing on
conventional hydraulic fracturing
projects and **completion** of recently
drilled wells



Increase in the production of **natural gas** aligned with the improvement in
commercialization conditions

Avg. Gross Production Potiguar E&P

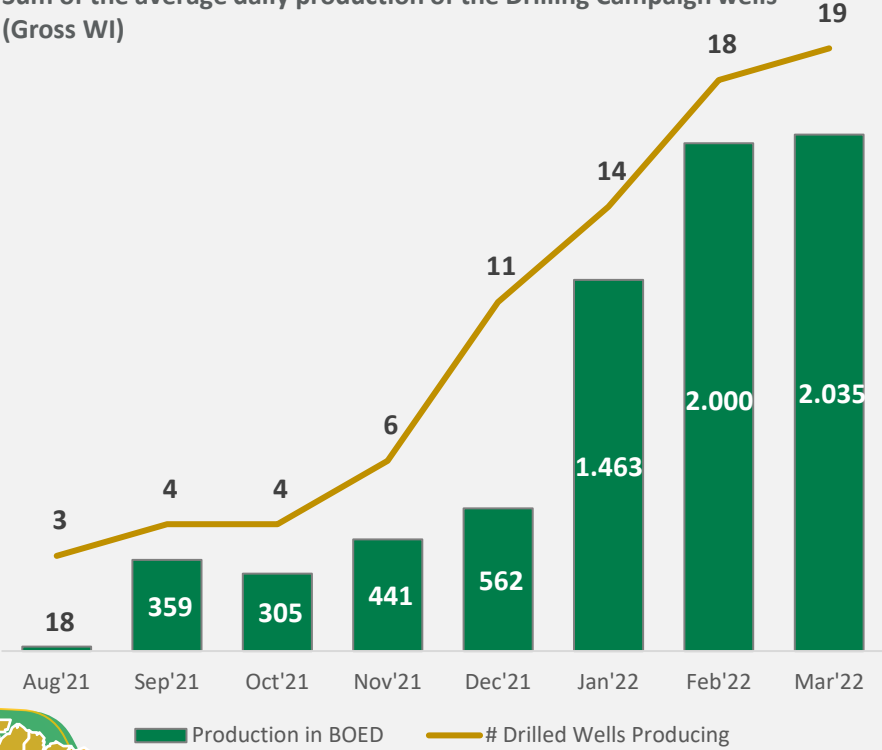
In Barrels of Oil Equivalent per day - BOED

	1Q22	4Q21	Δ%
Oil	8,038	6,689	20%
Gas	3,154	2,151	47%
Avg. Gross Production	11,192	8,840	27%

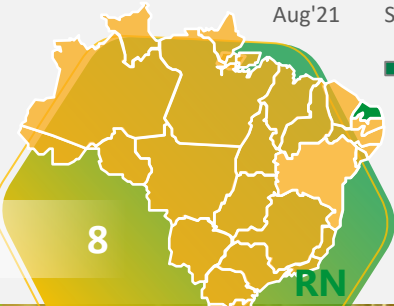
Potiguar Asset

7 wells drilled in the quarter, of which 5 are already producing

Sum of the average daily production of the Drilling Campaign wells (Gross WI)



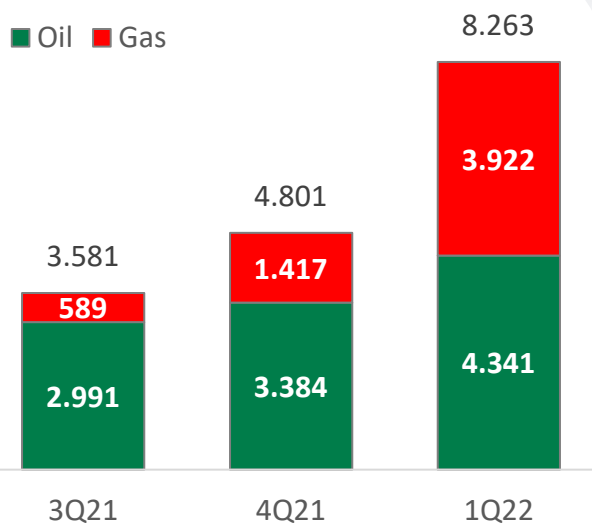
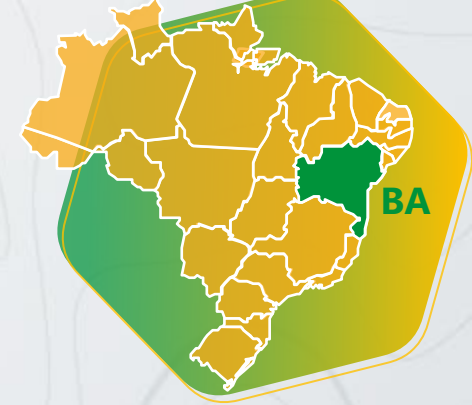
Source: Monthly Production Bulletin





Bahia Asset

1Q22 production 72% higher than in 4Q21



Production on Bahia Asset includes the production of Miranga Cluster from 4Q21



Four Rigs
dedicated to Bahia Asset



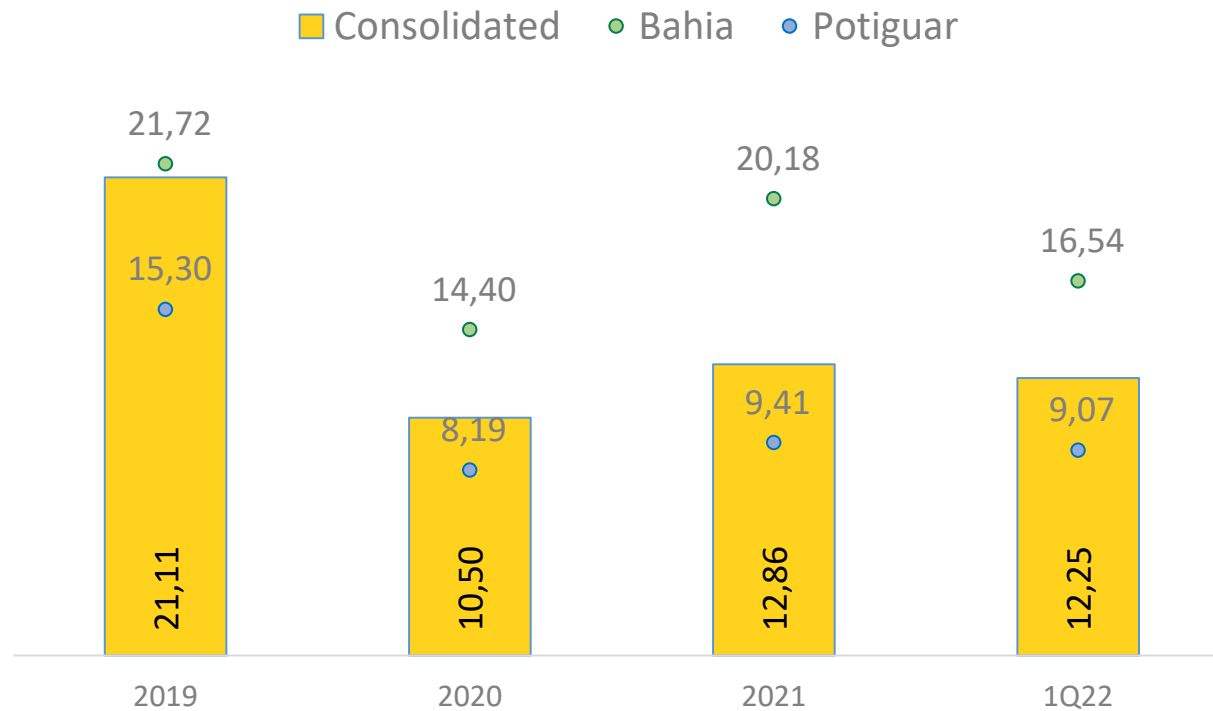
Continued workovers interventions
focused on return-to-production projects



Increase in **natural gas** production
aligned with improved marketing conditions

Average production cost per Boe of \$12.25 on 1Q22 vs. US\$12.86 in 2021

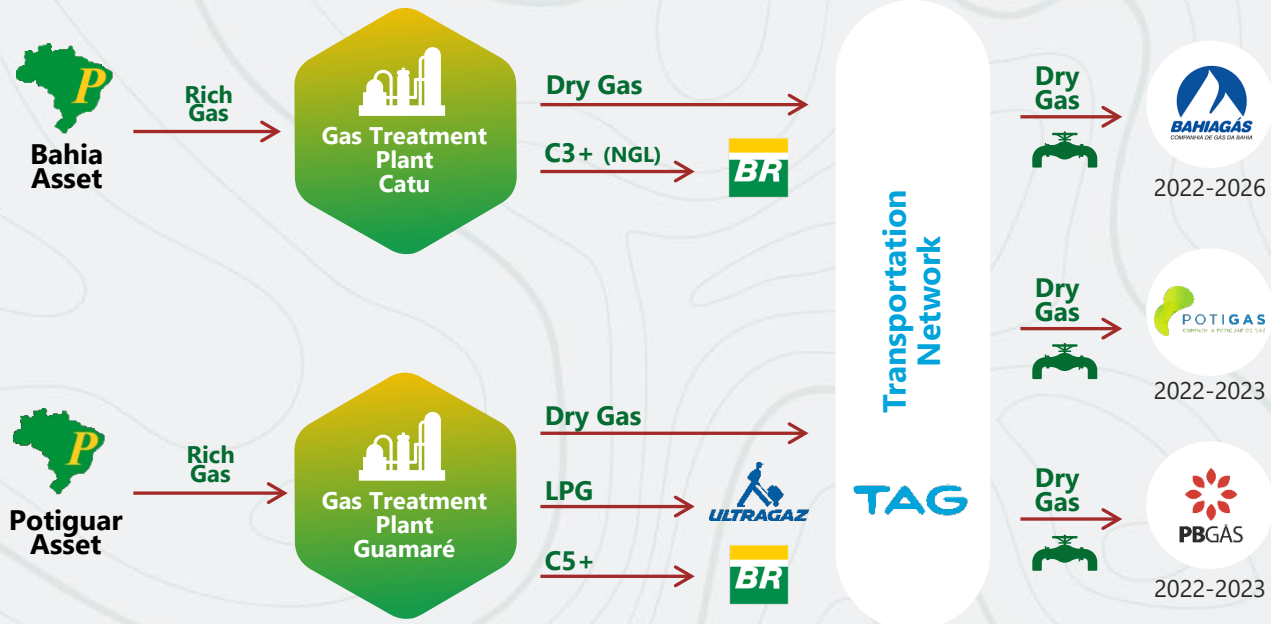
Average Consolidated Production Cost (US\$/boe)



Key Highlights:

- Start to capture synergies on the operations of **Remanso and Miranga Clusters**;
- Acceleration of **production** with return of high fluid volume wells;
- **Maintenance** of recently acquired assets and expansion of the reliability program.

Gas Processing and Sales Conditions



- Costs of R\$88.6 million with the acquisition, contracting of natural gas flow, processing and transportation infrastructures, with Petrobras and TAG
- incremental volumes of processed production, above the Contractual Daily Quantity (CDQ) generate penalties on the tariffs.
- CDQ re-adjustable quarterly



Costs and Expenses Variance

Costs and Expenses (in thousands of Brazilian R\$)					
	1Q22	1Q21	Δ%	4Q21	Δ%
Personnel	48,037	25,614	87.5%	42,273	13.6%
Services and Materials	46,250	28,843	60.4%	29,059	59.2%
Electric power	19,048	12,195	56.2%	17,796	7.0%
Environmental Licensing	1,433	3,887	-63.1%	2,672	-46.4%
Share-based payment	4,164	-	n.m.	3,072	35.5%
Acquisition, processing and transportation of gas	88,579	-	n.m.	-	n.m.
Other costs and expenses	18,068	23,038	-21.6%	24,772	-27.1%
Total	225,579	93,577	141.1%	119,644	88.5%

Revenue breakdown

Net revenue (in thousands of Brazilian R\$)					
	1Q22	1Q21	Δ%	4Q21	Δ%
Oil Revenue	635,161	284,360	123.4%	401,806	58.1%
Natural gas and byproduct Revenue	326,134	15,965	1942.9%	39,574	724.1%
Other revenues from services provided	-	914	n.m.	4,915	n.m.
Derivative financial instruments	(85,230)	3,540	n.m.	(69,939)	21.9%
Gross income	876,065	304,779	187.4%	376,356	132.8%
Revenue taxes	(172,589)	(58,990)	192.6%	(90,994)	89.7%
Net revenue	703,476	245,788	186.2%	285,362	146.5%

Natural gas accounted R\$ 326.1MM, 37% of Company's Gross Revenue

1Q22 - Gas and byproducts

Total volume market			Gross revenue	Gross revenue	Average price	Average price
			(M R\$)	(M US\$)	(R\$/per unit)	(US\$/per unit)
Gas	MMCF	2,800	182,150	34,828	65.04	12.44
C5+	MBBL	19,963	9,329	1,784	467.32	89.35
LPG	MBBL	70,080	29,034	5,551	414.30	79.22

1Q22 - Gross Revenue associated to the SWAP contract

	Gross Revenue	Gross Revenue
	(M R\$)	(M US\$)
Credits from liquids and gas processing	66,182	12,654
Gas Swap (rich gas delivery)	39,439	7,541



- Dry gas sales contracts with local state gas distributors
 - C3+ and C5+ prices are adjusted as per sales contracts, with Brent as reference price
 - LPG price used is the market price practiced by Petrobras LCT Guamaré RN

Financial Statements- Summarized Income Statement

Consolidated statement of profit and loss (in thousands of Brazilian R\$)

	1Q22	1Q21	Δ%	4Q21	Δ%
Net revenue [*]	703,476	245,788	186.2%	285,362	146.5%
Costs and expenses	(225,579)	(93,577)	141.1%	(116,572)	93.5%
Royalties	(63,158)	(20,579)	206.9%	(31,568)	100.1%
EBITDA	414,739	131,632	215.1%	137,222	202.2%
Depreciation, amortization and depletion	(69,932)	(61,052)	14.5%	(43,107)	62.2%
Operating profit	344,807	70,580	388.5%	94,115	266.4%
Net financial income	185,855	(94,785)	n.m.	1,266	14580.5%
Current taxes	(51,087)	(2,163)	2261.9%	(12,835)	298.0%
Deferred taxes	(77,737)	13,478	n.m.	(10,249)	658.5%
Net income (loss)	401,838	(12,890)	n.m.	72,297	455.8%

(*) Net Revenue, including the effect of hedges

Hedge Impact on Net Revenue

(R\$85.2) MM in 1Q22 vs (R\$69.9) MM in 4Q21

Hedging instruments Outstanding contracts	Average strike price 3/31/2022	Quantity 3/31/2022	Fair value of hedging instruments 3/31/2022
	US\$/barrel	Barrels	R\$ thousand
Under 3 months	55.56	482,680	(112,952)
From 3 to 6 months	53.64	484,728	(106,217)
From 6 to 12 months	52.59	953,839	(186,659)
From 1 to 2 years	53.85	1,806,500	(286,593)
From 2 to 3 years	59.85	567,500	(60,901)
Total	54.53 *	4,295,247	(753,322)

* Average strike price of fixed-term contracts not yet settled as of March 31st, 2022

In the quarter, hedging contracts with a net volume of 510k barrels of oil were settled at an average price of \$56.61/bbl.

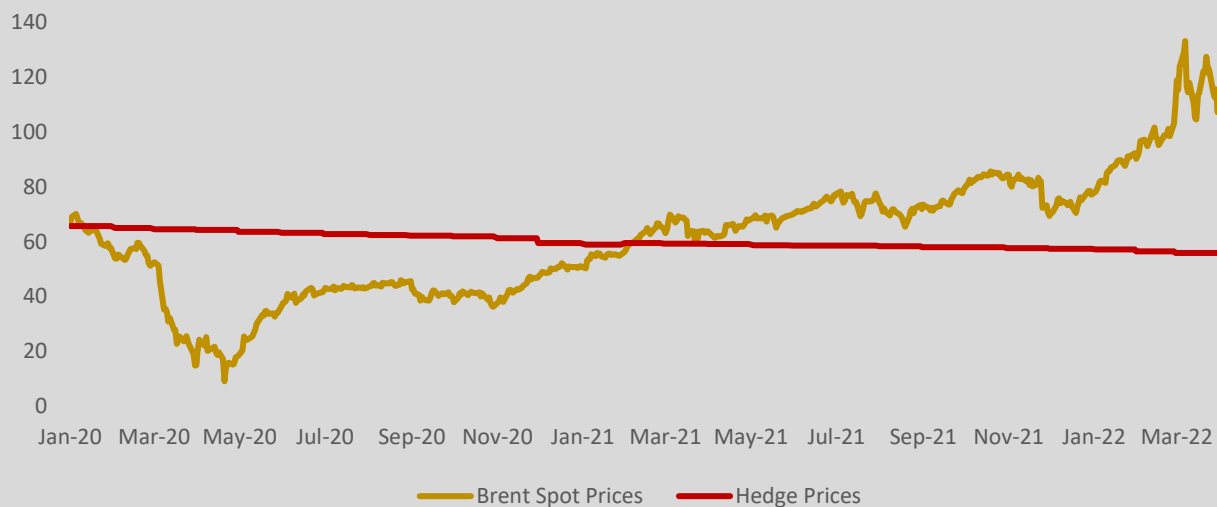
The subsidiary Potiguar E&P obtained on March 21st, 2022 from its lenders a *waiver* to not enter into additional oil hedging contracts during the period beginning on January 1st, 2022, until June 30th, 2022.

The Company shall maintain a portion of its projected net production hedge (1P) for the next 36 months based on its Reserve Report, in the following proportions:

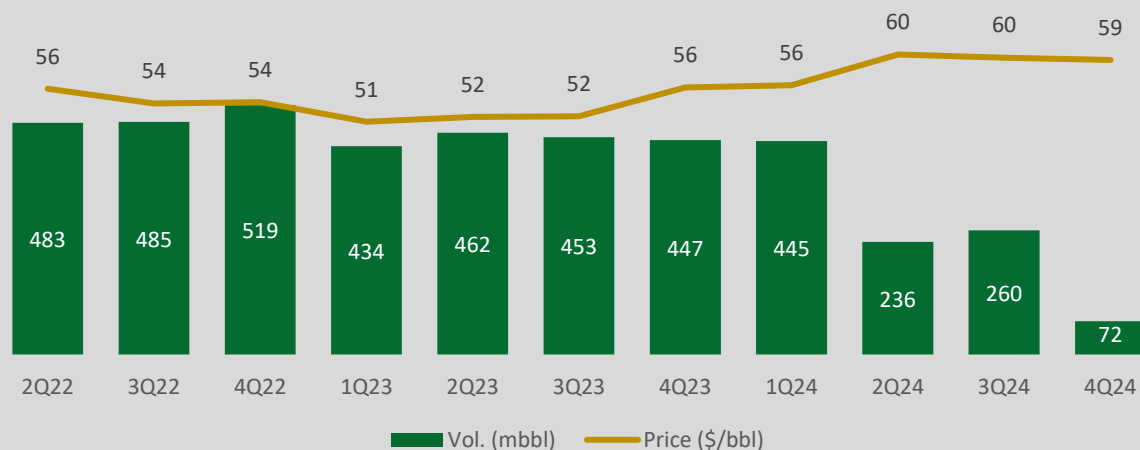
- » **80% of production (1P) or 90% of production (PDP)**, the lower number between the 2 options, for the first 12 months;
- » **60% of production (1P)** from the 13th to the 24th month;
- » **40% of production (1P)** from the 25th to the 36th month.

Oil Hedges

Historical Brent Spot Price x Hedge (US\$/boe)



Hedged Volumes x Contracted Price per Quarter (USD/Barrel)



Average volume hedged for 2022:

- Approximately 5,407 bopd
- Equivalent to 27.8% of average O&G production for the quarter
- Equivalent to 43.7% of average Oil Production in the quarter

Financial Statements - Cash Flow (cont.)

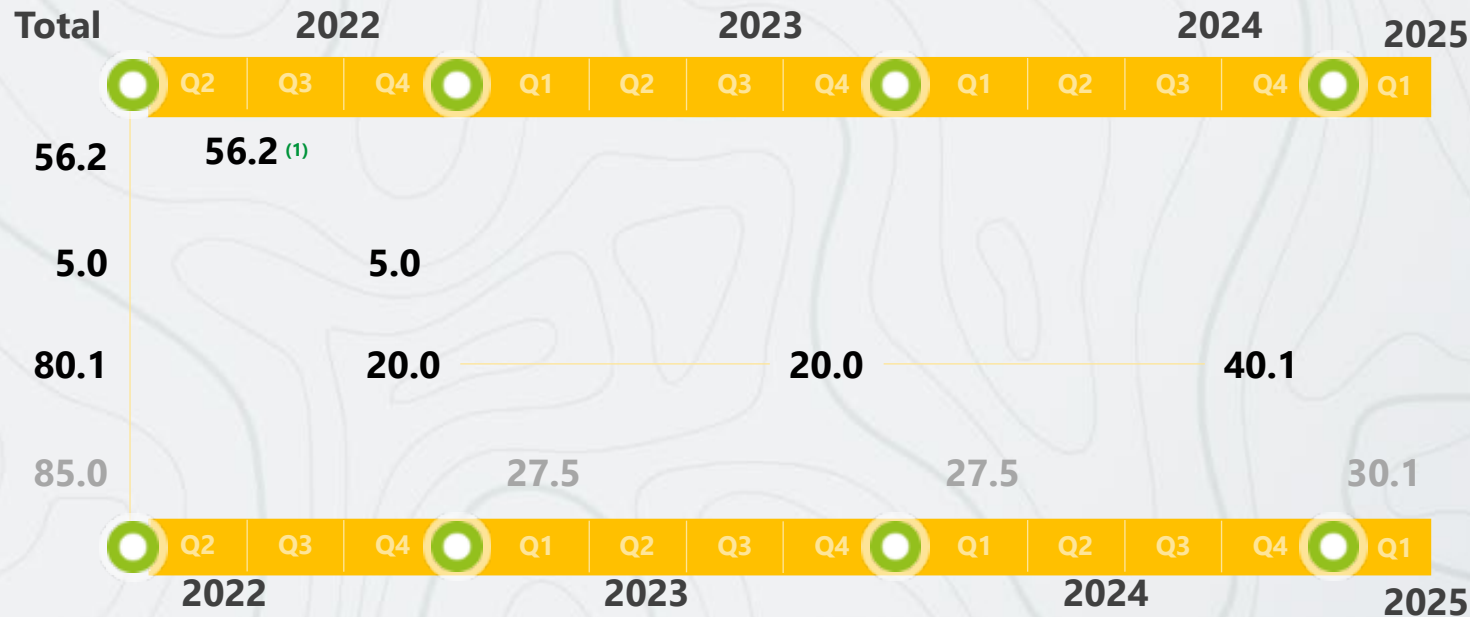
Consolidated statement of cash flows (in thousands of Brazilian R\$)					
	1Q22	1Q21	Δ%	4Q21	Δ%
Net income (loss) before taxes	530,662	(24,205)	n.m.	95,381	456.4%
Depreciation, amortization and depletion	69,932	61,052	14.5%	43,106	62.2%
Interest and foreign exchange variations, net	(193,553)	103,670	n.m.	31,943	n.m.
Write-off of property, plant and equipment and leases	45,119	32,270	39.8%	60,805	-25.8%
Other adjustments and changes in net income (loss)	6,956	6,090	18.1%	17,170	-59.5%
Changes in assets and liabilities	(183,987)	(25,317)	626.7%	14,778	-1345.0%
Interest paid	(12,194)	(15,767)	-22.7%	(13,545)	-10.0%
Income tax (IR) and social contribution (CSSL) paid	(29,361)	(135)	21648.9%	(3,346)	777.5%
Cash flows from operating activities	233,574	137,658	69.7%	246,292	-5.2%
Additions to property, plant and equipment and to intangible assets	(214,411)	(126,005)	70.2%	(522,025)	-58.9%
Financial investments	(20,091)	2,225	n.m.	177,047	-111.3%
Cash used in investment activities	(234,502)	(123,780)	89.5%	(344,978)	-32.0%

Financial Statements - Cash Flow

Consolidated statement of cash flows (in thousands of Brazilian R\$)					
	1Q22	1Q21	Δ%	4Q21	Δ%
Borrowings	-	60,479	n.m.	-	n.m.
Amortization of financing and leases	(61,369)	(61,173)	0.3%	(76,020)	-19.3%
Capital increase, net of cost for issue	189	-	n.m.	822	-134.9%
Net effect of acquisition and sale of shares	31	-	n.m.	(1,363)	n.m.
Cash from (used in) financing activities	(61,149)	(694)	8711.1%	(76,561)	-20.1%
Foreign exchange variations over cash and cash equivalents	1,385	-	n.m.	-	n.m.
Increase (decrease) in cash and cash equivalents	(60,692)	13,184	n.m.	(175,247)	-65.4%



Expected Schedule of Outstanding Acquisition Payments Due to Petrobras (US\$ MM)



Notes: (1) Conditional on the extension of concessions.

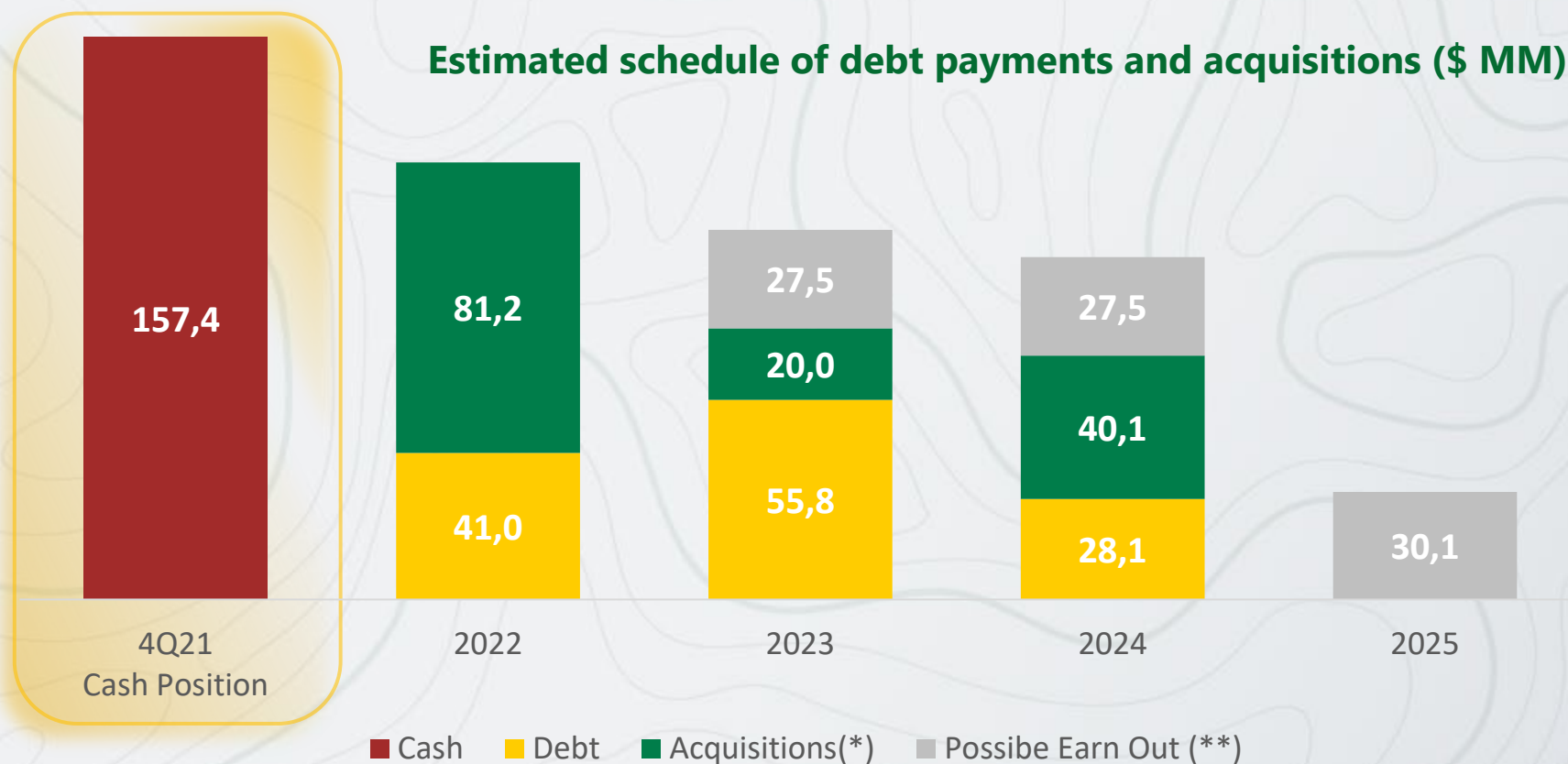
Miranga Earn-outs (US\$ MM)

Average Brent	2022	2023	2024	Total
Below \$50	-	-	-	-
Between \$50 and \$55	10.0	10.0	5.0	25.0
Between \$55 and \$60	15.0	15.0	10.0	40.0
Between \$60 and \$65	20.0	20.0	15.0	55.0
Above \$65	27.5	27.5	30.0	85.0

Contingent payments according to the average value of Dated Brent ICE oil in each year as per table, payable in March of the following year.



The Company has US\$157.4 MM in Cash, Bank Debt of US\$124.9MM and US\$ 226.4 MM payable to Petrobras from acquisitions



LEADING THE ONSHORE
TRANSFORMATION
IN BRAZIL



Mobilization of more **human and logistics resources** and additional **equipment**;



Acceleration of the investment program to **increase production**, including continued **drilling of new infill wells**;



Publish of our first **Sustainability Report** and **greenhouse gas inventory**;



Search for new opportunities within the **New Gas Market**; and



Continue to explore and **develop M&A opportunities** with a special focus on **Bahia Terra Cluster** negotiation.

Next steps